

15 A. I believe — I don't know specifically. It was
16 generally from, like sometime in the latter part of
17 November through December.

18 Q. And in your opinion, did that make the LISC more
19 efficient?

20 A. I can't — I don't think I can judge that.

21 Q. It was your decision to do that, right, or was
22 it your decision to do that?

23 A. It was a decision that was made, yes, it was my
24 decision to do that. It was appropriate, yeah.

25 Q. You think it was the correct decision, in
0036
1 retrospect?

2 MR. KOLTO-WININGER: Objection. Vague as to
3 what you term as correct, but go ahead and answer.

4 THE WITNESS: In my definition of correct, I do
5 not believe it was a correct decision, at that time, to do
6 that.

7 MR. ETTINGER: Q. Could you explain why you
8 think that?

9 A. I don't believe it was the best use of resource
10 in order to ensure a parity of work flow through the
11 operation, because that was our number one responsibility
12 under the FCC order, is to ensure that we were providing
13 parity of service to the various local service providers.
14 And that when you assign resource to specific customers,
15 it makes the balance in the workload extremely difficult,
16 and it made it more difficult to balance the load.

17 Q. When you say parity, are you talking about
18 treating all your customers alike?

19 A. I am referring to the FCC order that says that
20 we need to provide service equal in quality to that which
21 we provide to others. That's what I am referring to.

22 Q. I am trying to understand. When you say parity,
23 are you saying, for example, treat AT&T like you treat
24 MCI, or treat AT&T like you treat Pacific Bell?

25 A. The orders coming in through the LISC, at that
0037

1 time, we needed to ensure that we were giving equal
2 treatment to all of those orders, first come, first served
3 basis, and moving them through the process.

4 Q. So by parity, in a sense, you are saying
5 treating carrier X the same as carrier Y and carrier Z?

6 A. Yes.

7 Q. But are you also making any reference to parity
8 treatment between the end user customer of carrier X, Y
9 and Z and the end user customer of Pacific Bell?

10 MR. KOLTO-WININGER: Are you asking in the
11 context of the explanation he gave?

12 MR. ETTINGER: Yes, in the context of his use of
13 the word parity of that last answer.

14 THE WITNESS: In the context of what I just
15 described, I am referring to parity between the various
16 resellers that were placing orders with us.

17 MR. ETTINGER: Q. And your statement was, you
18 did say you understood that the Telecommunications Act

19 actually required parity among the carrier customers of

20 Pacific Bell?

21 A. Yes.

22 Q. Is it also your understanding that the

23 Telecommunications Act and the implementing regulations

24 require that Pacific treat the end user customers, its

25 carrier customers, in parity with the end user customers
0038

1 of Pacific?

2 MR. KOLTO-WININGER: Objection. Calls for a

3 legal conclusion, but go ahead and give him your answer.

4 THE WITNESS: I understand that the Act calls

5 for service equal in quality to that which we provide to

6 ourselves, our affiliates and others, yes.

7 MR. ETTINGER: Q. But you weren't using the

8 term parity in that answer before, correct?

9 A. No, I was not.

10 Q. The next point on the bullet point is Increased

11 Resources. Here it says, "The LISC will grow from

12 approximately 50 employees to 150 in November," and I

13 think you already told me you thought the 50 number was

14 incorrect. It was more like 100. But did it grow from

15 the 100 that you said it was in October to 150 in

16 November? Was that accomplished?

17 A. We had an overall force plan that evolved during

18 that period of time, that range of time, that we added, as

19 I said, approximately 100 contract people. We trained

20 additional service rep staff to work on a part-time basis,

21 to also provide order writing capability during that time.

22 That resulted in the equivalent force of something greater

23 than 150. I don't know what the exact number would be.

24 Q. The next point deals with mechanization, and it

25 says, "Macro programming is implemented on October 15th to
0039

1 increase service order flow." Do you know what macro

2 programming was, that was implemented on October 15th?

3 A. I am not --

4 MR. KOLTO-WININGER: Don't guess what she meant.

5 If you know.

6 THE WITNESS: I don't know what she meant by it.

7 MR. ETTINGER: Q. Do you have a definition of

8 the term macro programming?

9 A. Yes.

10 Q. Can you tell me what you understand the term to

11 mean, in the context of Pacific Bell?

12 A. In the context of how we were applying work

13 tools in the LISC, at that time, during that whole period

14 of time, we were trying to develop desktop tools for the

15 service representatives to use in their work stations to

16 help facilitate the movement of the work, to reduce the

17 processing time.

18 Q. When you talk about desktop tools, for me a

19 desktop tool is a stapler and a paper clip, so I assume

20 you are talking about some sort of computer program?

21 A. Developing computer programs to assist, yes, the

22 service representative.

23 Q. The service representatives have a computer

24 screen in front of them, I take it?

25 A. That's correct.

0040

1 Q. And they have individual computers, or do they

2 work off a mainframe or a server? Maybe you can tell me

3 how that works within both of our limited knowledge,

4 although yours is, I am sure, much greater than mine.

5 A. Each service representative has a work station

6 that interfaces through a number of different systems.

7 Some of those are mainframe based, some of them are client

8 server based.

9 Q. And the tools you are talking about are

10 programming -- programs for the work station to make them

11 what, easier to use, or --

12 A. To either make the operation of the system to

13 the service rep easier to use or to reduce work steps to

14 accomplish the end result.

15 Q. Now, we talked before about the fully manual

16 order process that was taking place back in October. It's

17 my understanding that NDM was an attempt to fully

18 mechanize the process so that it wouldn't have the manual

19 intervention, am I correct?

20 A. That's not a correct statement. That may be

21 what you believe, but --

22 Q. I am not asking you -- is that a correct

23 statement?

24 A. It's not a correct statement.

25 Q. Was there a process to replace the fully manual
0041

1 or processing — a plan to process the —

2 A. There has been a plan to more fully automate the
3 process, yes.

4 Q. Does that have an acronym?

5 A. Generically, that would be referred to as flow
6 through, I believe, would be the closest term for a
7 generic term for that.

8 Q. EDI, Electronic Data Interface, is that the same
9 as flow through? Have you heard that phrase before?

10 A. Yes, I have.

11 Q. Does that mean the same thing to you as flow
12 through or not?

13 A. No, it does not.

14 Q. Is EDI an interim step before you get to —

15 A. Not necessarily.

16 Q. Is NDM an interim step before one gets to flow
17 through?

18 A. Not necessarily.

19 Q. And when you say not necessarily to each of
20 those, does that mean that it could be an interim step?

21 A. Yes, they could be.

22 Q. But one doesn't necessarily have to go through
23 that?

24 A. No, that's true.

25 Q. Are both NDM and EDI improvements over fully
0042

1 manual order processing, in the same, that they are more

2 automated?

3 A. They are more automated than a manual input of
4 the order.

5 Q. By being more automated, they tend to be faster?

6 A. Faster and more reliable.

7 Q. And more accurate?

8 A. And more accurate.

9 Excuse me. Can I add a clarification on
10 something?

11 Q. Sure.

12 A. On the EDI, talking about EDI entry versus NDM
13 as a way of entering an order into the process, neither of
14 those are necessarily individually required to have flow
15 through. You need some type of electronic means of moving
16 an order request through the process, and both are two
17 ways or subpiecing of ways of doing that.

18 Q. Do you know, between October of '96, when the
19 letter was written, and early January, when your job
20 function changed, or at least in part, was progress made
21 in reducing the amount of fully manual order processing in
22 the LISC?

23 A. Yes, progress was made.

24 Q. I will ask you to look at the next to last
25 paragraph, the paragraph in that letter that says, "Given
0043
1 the above changes, the LISC managers believe they can
2 return to a four-hour FOC interval by November 15th. Do
3 you know whether that was accomplished?"

4 A. No, it was not accomplished.

5 Q. Was it accomplished by the date that -- by early
6 January?

7 A. Some orders were being FOC'd within the four
8 hours, but not the majority of the orders.

9 Q. I am going to ask you next to look at what's
10 previously been marked as Exhibit 4. This is a letter
11 that purports to be from you. Is that your signature?

12 A. Yes, it is.

13 Q. It's dated December 4th and it's to Mary Ann
14 Collier of AT&T, and you are responding apparently to her
15 letter of December 3rd?

16 A. Yes.

17 Q. The third paragraph discusses the overall
18 capacity of the LISC at that time; is that correct?

19 A. Yes.

20 Q. And the letter states that, "The current overall
21 LISC capacity is approximately 400 orders per day." Well,
22 do you recollect writing that letter?

23 A. Yes.

24 Q. How did you determine that 400 per day was the
25 capacity at that time?

0044

1 A. That was the average number of requests we were
2 putting through the process on a daily basis at that time.
3 It's an average figure.

4 Q. Overall average over what period of time, a
5 week, month, do you recall?

6 A. I don't recall. I would -- I would think it
7 would be at least a three or four-week period at that
8 time.

9 Q. So, to the best of your recollection, is it fair
10 to say that what you did is looked back over the last
11 three or four weeks, counted how many orders you handled
12 and divided that by the number of, was it total days or
13 work days?

14 A. No, it was work days.

15 Q. And there are five work days per week, minus
16 holidays?

17 A. That is true.

18 Q. The number you used, was that a number of just
19 AT&T orders or total industry orders?

20 A. I believe that was total process.

21 Q. Total process, that would be consistent. You
22 used the phrase overall, and so in using the word overall,
23 that you are talking about the LISC handling not only
24 AT&T's orders but every other carrier's orders as well?

25 A. That's correct.
0045

1 Q. In the next sentence, you say, "Upon completion
2 of additional mechanization efforts, we will move to
3 approximately 2000 orders per day by the end of January
4 1997. Do you see that?

5 A. Yes.

6 Q. And what mechanization efforts were you
7 referring to in the first clause of that sentence?

8 A. There were a variety of system changes we were
9 making, but what I had referred to earlier as desktop
10 tools, the two enhanced the abilities of the service reps
11 to, in like, process the service requests coming in from
12 the resellers. That was in a -- along with our force
13 augment plans and just the general process improvement
14 work we were doing to increase the input of the process.

15 Q. As a result of that, you estimate that by
16 January 31st, you'd have been able to handle 2000 orders
17 per day -- Pacific would be able to handle --

18 A. Yes.

19 Q. How did you come up with that 2000 in number, do
20 you remember the process?

21 A. That was our best effort to assess the system
22 plans we had, the force augmentation plans that we had,
23 the general process improvement, looking at productivity
24 and other factors that would impact capacity and making
25 our best estimate, although we thought we would be able to
0046

1 produce on a daily basis, at that point in time, and that
2 was based on planning that had taken place prior to
3 December 4th.

4 Q. But what process did you go through to make
5 that -- what I am really asking is, who did you talk to,
6 if anybody?

7 A. Well, people within my organization, and a
8 systems organization and the support staff looked at the
9 various plans that we had, as I described, for augmenting

10 the force, for enhancing systems capability, and improving
11 process flows in an effort to increase our processing
12 capacity.

13 Q. Was this like a meeting of people to sit down
14 and discuss this and get their various input and what's
15 being done, or did you just charge one of your
16 subordinates to go out, and say find me what's the best
17 estimate?

18 A. When it was --

19 Q. I am trying to find out the process.

20 A. There was a series of meetings taking place at
21 that time, but the people that were managing the LISC and
22 the systems people that were working on the systems, and
23 the support people that were working on the process design
24 and the methods and procedures, to improve and enhance our
25 amount to process ordering capacity. And it was through
0047

1 those interactions that that number was derived.

2 Q. It was in response apparently -- let me back up.

3 The letter that you wrote is in response,
4 apparently, to a letter of the previous day from
5 Ms. Collier. Do I understand, though, that the 2000
6 number was developed by Pacific, not in response to
7 Ms. Collier's letter but that was something that you had,
8 it was an ongoing effort?

9 A. That's true.

10 Q. So at that time, when she asked you, what's your
11 best estimate, this was your response?

12 A. At that time, that was our best estimate of our
13 collective knowledge of what we were doing.

14 Q. Now, had you finished your answer?

15 A. Yeah.

16 Q. Going on in that paragraph, it states that,
17 "this capacity." By this, I assume you meant the 2000
18 orders per day by late January, end of January?

19 A. Uhm-hum.

20 Q. So the 2000 a day will again increase as
21 incremental mechanization is completed and force
22 augmentation occurs. By that, I mean the 2000 per day
23 will go to a higher number sometime after the end of
24 January 1997.

25 Did you have any idea of what that higher number
0048
1 was at that time?

2 A. Specifically, no, at that time. We were, as I
3 said, we were continually assessing our systems plans,
4 working scheduling of changes, looking at force
5 augmentation, training additional service representatives
6 within the business to assist in the order processing, so
7 the summation of that type of planning is what's being
8 referred to there.

9 Q. But you know that you did beyond 2000, you just
10 don't know at that time -- at that time, you didn't know
11 what the number would be?

12 A. At that time, we did not respond to that letter.

13 Q. Did you have any idea when you would get to the

14 beyond 2000 per day? Even though you didn't know what
15 that number was, did you have a date in mind there?

16 A. We didn't have a specific date, because the
17 process we are using is one we are continually assessing,
18 the overall process in systems and how it was working, to
19 determine various potential improvements to draw more
20 capacity through the process.

21 Q. Going down the paragraph, you state you asked --
22 you said, "It would be helpful if you could begin to
23 provide us with a daily forecast of your demand." Do you
24 see that?

25 A. Yes.
0049

1 Q. At that time, what type of forecasts were you
2 getting from AT&T, in other words, how often?

3 MR. KOLTO-WININGER: Not numbers.

4 MR. ETTINGER: Q. You are asking for daily
5 when --

6 A. We were getting a periodic letter from AT&T that
7 was looking at, I believe, it was weekly figures at that
8 time.

9 MR. KOLTO-WININGER: I just want to make the
10 comment on the record that I want you to be sensitive to
11 any particular carrier's proprietary information
12 concerning their numbers.

13 THE WITNESS: Fine.

14 MR. ETTINGER: Q. So at that time, AT&T gave
15 you a forecast and, say, for the week of so and so, it

16 would be X?

17 A. Yes.

18 Q. And for the following week, it would be Y?

19 A. Yes.

20 Q. And that was not sufficient, in your opinion?

21 A. Well, the more specific forecast data can be,
22 the better it is for planning, you know, resources and
23 requirement, and that's what that sentence referred to.

24 Q. Are you aware of any industry where -- let me
25 retract that.

0050

1 Did you think that daily forecasts that you

2 would get would likely be accurate?

3 A. I believe that any forecast we get would be an
4 accurate representation of what's expected to occur.

5 Q. This was a new business for AT&T and all the
6 other carriers, wasn't it, resale of local service?

7 A. Yes, and for us, too.

8 Q. Were you the recipient of the forecasts from
9 AT&T and the other carriers?

10 A. Personally, no.

11 Q. Was your organization?

12 A. No.

13 Q. But you saw them as a normal part of your
14 business?

15 A. Yes.

16 Q. Did you --

17 A. Or people in my organization would see them.

18 Q. Sure. Do you have an opinion as to the accuracy
19 of the forecasts you were receiving, and I am not asking
20 about -- from the industry as a whole?

21 A. Generally speaking, we received -- generally
22 speaking, we received intermittent forecast data across
23 the industry. My general experience is that it wasn't
24 necessarily accurate for the periods of time covered.

25 Q. Do you have an opinion as to the tendency to err
0051

1 in one direction or the other? In other words, would it
2 be generally too high or generally too low?

3 A. Both, either or, so --

4 Q. To your knowledge, did Pacific Bell have its own
5 forecast of demands, independent of the carrier customers,
6 independent of that produced by the --

7 A. Yes, we had a forecast.

8 Q. I am not going to ask you what that forecast is,
9 but can you tell me if it was higher or lower than the
10 aggregate amount forecasts received from the carriers?

11 A. That varied over time as well, both. Sometimes
12 it was higher and sometimes it was lower.

13 Q. Can you tell me the order of magnitude that
14 differed from the forecasts received, in other words, 25
15 percent differential, 50 percent difference, between your
16 forecasts and what you received?

17 A. That varied as well. Generally, I would say --
18 generally speaking, I would say that the fluctuation of
19 the industry information was over our demand forecasts.

20 Q. By what? I know it varied, but --

21 A. I don't have the numbers to give that to you.

22 Q. You don't remember if it varied significantly or
23 not?

24 A. No, no, I don't recall aggregate numbers. I

25 don't want to guess at that.

0052

1 Q. Was your organization responsible for producing

2 Pacific's forecasts?

3 A. No, we were not.

4 Q. Who produced that, which organization?

5 A. That came out of our product marketing
6 organization.

7 Q. Is that a part of the industry markets group?

8 A. Yes, it is.

9 Q. Who is the vice president responsible for that?

10 A. Eileen Arbues, A-r-b-u-e-s.

11 Q. And her group supplied the forecasters, among
12 others?

13 A. Yes.

14 Q. So you are not familiar with how those forecasts
15 were created?

16 A. Not specifically, no.

17 Q. But you received those forecasts in the
18 ordinary -- or did you receive those forecasts from

19 Ms. Arbues' group in the ordinary course of your job?

20 A. Yes.

21 Q. How did you use those forecasts?

22 A. Utilizing the forecasts with our actual
23 experience, we were trying to -- we were trying to
24 estimate our process requirements, over a period of time,
25 working with a number of variables, such as productivity
0053
1 and other variables, to convert that to a volume figure.

2 Q. By a volume figure, you mean the volume you
3 would have to order per day to handle the listing?

4 A. Yes, I am the first. I would be required to do
5 that.

6 Q. So you used the forecast for planning purposes
7 and sizing the LISC?

8 A. That was one of them.

9 Q. How often did you receive new forecasts from
10 that group, something that was updated weekly, monthly,
11 daily?

12 A. It was updated periodically, but not monthly.

13 MR. KOLTO-ETTINGER: Off the record for a
14 second.

15 (Discussion off the record.)

16 MR. ETTINGER: Q. You indicated that in
17 addition to receiving internal forecasts, you also
18 received forecasts from the carriers which, in aggregate,
19 were different than your internal forecasts.

20 How did you reconcile that, or how did you use
21 the carrier forecasts in sizing -- in deciding how to size
22 the LISC when it differed from the Pacific forecasts,
23 internal forecasts?

24 A. That would be part of the forecasting process of

25 developing the forecasts. As far as input to the
0054

1 forecasters, to the extent that they had that, I think,

2 had this need to make it clear that we did not receive

3 consistent forecasts in a regular basis from all the three

4 sellers. It wasn't necessarily a consistent line of

5 intelligence or information.

6 Q. I am going to try and rephrase what I understood

7 you -- what you just told me over the last couple of

8 answers. If I am not correct, please correct me.

9 What I understood you to tell me is you

10 received, on a somewhat inconsistent basis, forecasts from

11 various carriers in the industry. What was done with

12 those was to give those to the forecasting group. They

13 used that as one of their inputs in making their

14 forecasts. But when you were doing the work to size the

15 LISC, you relied solely on the Pacific Bell internal

16 forecasts?

17 A. No. That isn't totally correct.

18 Q. What's incorrect?

19 A. In addition to that, we would use any current

20 information that the carriers were giving us to plan our

21 current workload, too. I mean, if they were giving us an

22 indication of some workload, we'd have to take that into

23 consideration. But we were building our staffing plans

24 through to our best forecast of what the overall demand

25 was going to be, lacking any more specific long-term

0055

1 information.

2 Q. Well, I am not sure I understood that, and I
3 think I understand -- I need to understand that in a
4 little bit more depth, so perhaps we should take our break
5 now.

6 (Recess taken.)

7 MR. ETTINGER: Q. Mr. Sinn, I want to
8 understand your last answer. I think what you told me --
9 I asked you whether, in staffing the LISC, you relied
10 solely on Pacific's internal forecasts, and I think your
11 answer was no, that you relied on some current information
12 from the carriers, I think, is what you referred to?

13 A. Uhm-hum.

14 Q. Could you tell me -- I don't understand how that
15 played in making your determinations on how to staff the
16 LISC. Could you explain that?

17 A. The forecast process, obviously, tempered with
18 experience, too, as you move through time, drove the real
19 planning around the LISC. From a resource perspective,
20 the information that we would derive from resellers on
21 more real time basis, was also helpful, in that, if there
22 was something in the way of abnormality or something was
23 going to occur, at least we were aware of that and could
24 make plans for that.

25 If it was a high week or a high day, we would,
0056

1 at least, expect that we could see that information. It
2 wasn't necessarily geared to build our longer-term force

3 plan around.

4 The reason I think that that distinction is
5 important is that we started building the force for the
6 LISC at the time that it was tarified. In the March time
7 frame, we found ourselves for quite a period of time of
8 having people on the payroll with no work, and in the
9 absence from any input from the resellers, we were driving
10 off of our forecast.

11 So we can't adjust the force plan, obviously, on
12 a day-to-day or week-to-week basis long term, but to the
13 extent, the more intelligence we have, then at least that
14 would help us manage the overall work flow effectively.

15 And that's the distinction I was trying to make
16 between the forecasts and more current information that
17 would come in.

18 Q. So what you are talking about using from the
19 resellers was not so much their forecasts, but using the
20 internal Pacific forecasts and what you call the real time
21 information, which might be something like, next week I
22 expect a big bulge in orders, or something like that?

23 A. I think it's a little more than just that. I
24 believe that forecasts are important over the longer term
25 as we do business together. Lacking forecasts, then all
0057
1 we can do is make our best estimates of market, and we
2 need to be able to plan, plan work force and capability to
3 deal with load.

4 In fact, I believe the agreements that we

5 negotiated talked to the need for forecasting, so I think
6 it's more than just daily. I just think that forecast
7 information, depending on the level of detail and the
8 timing of it, has two uses, one for longer range planning
9 and one for shorter term planning. That was the point I
10 was trying to make.

11 Q. As to the forecasts that you did receive from
12 the resellers, they went to the forecasting group for use
13 in producing overall forecasts?

14 A. They went to the forecasting group, and they
15 also -- some of my people received copies of those as
16 well.

17 MR. KOLTO-WININGER: Off the record for a
18 second.

19 (Discussion off the record.)

20 MR. ETINGER: Q. Returning to the forecasts
21 that were done internally, you told me they weren't done
22 by your group but you received them on a periodic basis?

23 A. Right.

24 Q. Did you in turn give input to the forecast group
25 as to the accuracy of their forecasts?

0058

1 A. No.

2 Q. So there was no check back if they are, by
3 predicting X number of orders for a particular week or
4 month, and you received -- actually received Y numbers,
5 you didn't go back and tell them you were over or under by
6 a certain percentage?

7 A. I didn't provide that. That information is made
8 available to them.

9 Q. By whom?

10 A. It comes out of other systems. As far as what
11 the installed versus activity, they get reports on that.

12 Q. You don't know -- do you know how they use the
13 actuals that compare them to the forecasting, making new,
14 future forecasts?

15 A. I don't feel qualified to describe their
16 forecasting process.

17 Q. I think I just want to go back a second. We
18 have been talking about the LISC capacity of 400 orders
19 per day in December, going up to 2000 per day by the end
20 of January, and that was for the LISC resale; right?

21 A. Yes.

22 Q. We should make that clear.

23 A. Yes.

24 Q. I am going to show you another document,
25 previously marked, I think, as deposition Exhibit 5. It's
0059

1 a letter from Elizabeth Fetter to Lois Hedg-peth, dated
2 December 11, 1996.

3 Have you ever seen this letter before?

4 A. Yes, I have seen a copy of this letter.

5 Q. Thank you. In the second paragraph at the
6 bottom there --

7 MR. KOLTO-WININGER: From the bottom?

8 MR. ETtinger: No, the bottom of the second

9 paragraph, sorry.

10 Q. Ms. Fetter says, "We expect to see continued
11 improvement in order processing capability and expect to
12 be able to manage 2000 orders per day by the end of
13 January." Do you see that?

14 A. Uhm-hum.

15 Q. Now, that's the very same number that you used
16 in your letter of December 4th, correct?

17 A. Uhm-hum.

18 Q. Same estimate?

19 A. Uhm-hum.

20 Q. I take it that -- did you consult with
21 Ms. Fetter when she wrote -- before she wrote this letter
22 as to this issue?

23 A. Specifically, no. The account team was working
24 on this letter, I believe.

25 Q. Is it fair to say that you agreed that that was
0060

1 a correct estimate at the time?

2 A. Yes. At the time we were doing the work, yes.

3 Q. So as of December 11, which is one week after
4 December 4th, nothing had changed, as far as Pacific's
5 estimate of its capacity, its expected LISC capacity by
6 the end of January?

7 A. Right. I am -- I am not -- what I am not sure
8 of is when this letter was actually typed. The date on it
9 is the 11th. I'm not sure of the exact time the letter
10 was actually compiled, you know, put together.

11 Q. To your knowledge, it was still correct on the
12 11th, was it not?

13 A. Well, as I stated, we were in a continuing
14 process of looking for means of increasing capacity and
15 processing capability during that whole period of time in
16 November and December, and that work continues on now. So
17 it was a very changing environment as decisions were being
18 made to put in a particular system capability or to put
19 additional force into play. It's -- so on December the
20 11, I don't remember the specific dates, but we were
21 re-forecasting capacity, as we were moving through that
22 period of time.

23 Q. This was the forecast as of December 11th;
24 appears to be, doesn't it?

25 A. The letter is dated December the 11th. It was a
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1 forecast that is consistent with the other December 4th
2 letter. And at the time that that was developed, that was
3 our projected capability based on the best information
4 that we had, in our best judgment and, you know, at the
5 time this letter was composed, sometime between the 4th
6 and the 11th, yeah, that information still held, but the
7 situation was changing very rapidly.

8 Q. You don't have in your mind that there was a
9 better estimate on December 11th than 2000 a day by the
10 end of January?

11 A. That's what I was trying to refer to is on
12 exactly the 11th. I don't recall where we were in that

13 planning process, and it could be this letter was actually
14 drafted prior to the 11th, but sent out then when the
15 planning process continued on.

16 Q. I'd like you to look at the very bottom of the
17 letter, the last line, "While we have not met our
18 objective for FOC." We talked about that before. It's
19 your recollection that that still -- as of December 11th,
20 was Pacific still not meeting its objective for getting
21 Firm Order Commitments out within four hours?

22 A. We were not getting the majority of them out
23 within four hours, yes, I agree.

24 Q. So the letter is correct?

25 A. Correct.

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1 MR. KOLTO-WININGER: In that regard?

2 MR. ETTINGER: In that regard.

3 THE WITNESS: On that point.

4 MR. ETTINGER: Q. I am going to show you
5 another letter that's been previously marked as deposition
6 Exhibit 6, a letter from Thomas O. Moulton, apparently
7 vice president of Pacific Telesis, Washington Operations,
8 to Reed Hundt, chairman of the FCC. Have you seen this
9 letter before?

10 A. I have seen a copy of it, yes.

11 Q. Have you seen it -- I assume you have seen it as
12 attached to AT&T's complaint, but did you see it before
13 that time?

14 A. I do not believe I saw a copy before that time.